

**131.520 Surrender of property upon which levy made -- Effect of surrender or failure to do so.**

- (1) Any person in possession of or obligated with respect to property or rights to property subject to levy upon which a levy has been made shall, upon demand of the commissioner or his delegate, surrender such property or rights or discharge such obligation to the commissioner or his delegate, except such part of the property or rights as is, at the time of such demand, subject to an attachment or execution under any judicial process.
- (2) Any person who fails or refuses to surrender any property or rights to property subject to levy shall be liable in his own person and estate to the Commonwealth in a sum equal to the value of the property or rights not so surrendered, but not exceeding the amount of taxes for the collection of which such levy has been made, together with costs and interest on such sum at the rate of twelve percent (12%) per annum from the date of such levy. Any amount other than costs recovered under this paragraph shall be credited against the tax liability for the collection of which such levy was made.
- (3) Any person in possession of or obligated with respect to property or rights to property subject to levy upon which a levy has been made who, upon demand by the commissioner or his delegate, surrenders such property or rights to property or discharges such obligation to the commissioner or his delegate shall be discharged from any obligation or liability to the delinquent taxpayer with respect to such property or rights to property arising from such surrender or payment.

**Effective:** June 20, 2005

**History:** Amended 2005 Ky. Acts ch. 85, sec. 143, effective June 20, 2005. -- Amended 1982 Ky. Acts ch. 238, sec. 2, effective July 15, 1982. -- Created 1980 Ky. Acts ch. 262, sec. 3, effective July 15, 1980.